

VZCZCXYZ0007  
PP RUEHWEB

DE RUEHTV #0250/01 0341048  
ZNR UUUUU ZZH  
P 031048Z FEB 10  
FM AMEMBASSY TEL AVIV  
TO RUEHC/SECSTATE WASHDC PRIORITY 5289  
RHEHAAA/WHITE HOUSE WASHDC PRIORITY  
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUEKJCS/SECDEF WASHDC PRIORITY  
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY  
RUEADWD/DA WASHDC PRIORITY  
RHMFIUU/CNO WASHINGTON DC PRIORITY  
RHEFDIA/DIA WASHINGTON DC PRIORITY  
RUEKJCS/Joint STAFF WASHDC PRIORITY  
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0235  
RUEHAS/AMEMBASSY ALGIERS PRIORITY 3146  
RUEHAM/AMEMBASSY AMMAN PRIORITY 7222  
RUEHAK/AMEMBASSY ANKARA PRIORITY 7411  
RUEHLB/AMEMBASSY BEIRUT PRIORITY 6644  
RUEHEG/AMEMBASSY CAIRO PRIORITY 5339  
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 7509  
RUEHLO/AMEMBASSY LONDON PRIORITY 4261  
RUEHFR/AMEMBASSY PARIS PRIORITY 2486  
RUEHRB/AMEMBASSY RABAT PRIORITY 1138  
RUEHRO/AMEMBASSY ROME PRIORITY 8673  
RUEHRH/AMEMBASSY RIYADH PRIORITY 3670  
RUEHTU/AMEMBASSY TUNIS PRIORITY 7642  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 9745  
RUEHJI/AMCONSUL JEDDAH PRIORITY 2464  
RUEHJM/AMCONSUL JERUSALEM PRIORITY 3653  
RHMFSS/CDR USCENTCOM MACDILL AFB FL PRIORITY  
RHMFSS/COMSOCEUR VAIHINGEN GE PRIORITY  
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 000250

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA  
HQ USAF FOR XOX  
DA WASHDC FOR SASA  
JOINT STAFF WASHDC FOR PA  
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR  
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD  
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD  
LONDON ALSO FOR HKANONA AND POL  
PARIS ALSO FOR POL  
ROME FOR MFO

SIPDIS  
E.O. 12958: N/A  
TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

-----  
SUBJECTS COVERED IN THIS REPORT:  
-----

11. Mideast

12. U.S.-Israel Relations

-----  
Key stories in the media:  
-----

Major media quoted PM Benjamin Netanyahu as saying yesterday at a joint press conference with visiting Italian PM Silvio Berlusconi that the resumption of talks over a prisoner swap involving Gilad

Shalit depends on Hamas. Netanyahu was responding to a statement by senior Hamas leader in Gaza Mahmoud Zahar that the deal is Qfrozen, for which he blamed Israel. HaQaretz also reported that another senior Hamas official, speaking on condition of anonymity, told the Saudi daily Okaz that Hamas decided to suspend the talks to protest Mahmoud al-Mabhouh's murder. "Israel is fully responsible for the killing of al-Mabhouh," the daily quoted him as saying. "Therefore Hamas decided to halt the indirect talks." But that same official also told the daily that the talks had been on the brink of implosion in any case, for which he blamed Israel's government.

Israel Radio reported that last night IAF planes raided smuggling tunnels in Gaza in retaliation for military actions by Palestinians.

The media also reported that yesterday Hamas captured an apparently mentally unstable Israeli Bedouin who had crossed the border with Gaza. He was released this morning following the intervention of an Arab Knesset Member.

Leading media quoted PA Prime Minister Salam Fayyad as saying yesterday in a conciliatory speech that Israel must show the Palestinians that it is beginning to roll back the occupation, and that the way to do that is primarily by stopping both settlement construction and IDF incursions into Palestinian areas. Fayyad, who was addressing the Herzliya Conference in a rare appearance, affirmed that the PA is committed to IsraelQs security. Maariv bannered FayyadQs reiteration that the Palestinians will establish a state within two years. In his speech to the conference, DM Ehud Barak praised Fayyad for his work in developing Palestinian infrastructure and said that if a single state develops in this area, it will necessarily either be non-Jewish or non-democratic. QIf that block of millions of Palestinians vote, then there will be a binational state, and if they donQt vote, then there will be an apartheid state. Neither is the Zionist dream.

HaQaretz quoted the IDF as saying it has no intention at this stage of permanently deploying the Iron Dome system to protect Sderot against rocket attacks. The army expects to have a battery operational by May. According to an IDF plan, the battery will initially be deployed at air force bases in the south and will be set up elsewhere only during significant escalations of conflict on the Gaza border.

Leading media reported that 17 coalition and Kadima Knesset members are proposing a bill that would prevent the Supreme Court from rejecting new legislation. Media also report on yesterdayQs inauguration of the Lobby for Greater Israel, composed of 39 Knesset members, including 12 from Likud.

The media reported that this morning Silvio Berlusconi delivered a particularly warm address to the Knesset plenum. Leading media quoted Berlusconi as saying that he will intervene with Syrian President Bashar Assad, Lebanese PM Rafiq Hariri, and Turkish Recep Tayyip Erdogan on IsraelQs behalf. Berlusconi also said that the Italian State has greatly reduced its trade with Iran, that he called for an international parley against IranQs nuclear program, and that he personally received assurances from Russia that the latter country would support such a gathering. The media quoted Iranian President Mahmoud Ahmadinejad as saying that Iran is prepared to send uranium aboard for enrichment purposes. HaQaretz cited the belief of the U.S. National Intelligence Estimate that Iran is capable of developing nuclear weapons but that it has not yet decided to do so. The newspaper further quoted senior U.S. intelligence official Adm. (res.) Dennis Blair as saying that continued stalling on the Israeli-Palestinian track might decrease the PalestiniansQ support for a two-state solution.

Makor Rishon-Hatzofe reported on 40 new educational buildings in settlements, despite NetanyahuQs moratorium.

The Jerusalem Post cited HamasQ suspicion that Israel has infiltrated its Damascus leadership and the Syrian security services.

HaQaretz quoted Col. Pnina Sharvit-Baruch, the head of the IDF Advocate General's international law department during Operation Cast Lead, as saying on Monday that it may be necessary to establish a commission of inquiry to respond to the Goldstone Report. "It is possible that, in hindsight, it would be have been correct to cooperate with the Goldstone Commission," Sharvit-Baruch said in a

private closed-door meeting in Tel Aviv. "It's possible that had we cooperated with the commission, its report wouldn't have been as bad. I don't think anyone thought the report would be so severe." Major media quoted the U.N. as saying yesterday that findings it collected contradict Israeli claims that the Gaza flour mill was not hit by an aerial bombardment. Maariv reported that the Knesset plenum will vote today on whether to initiate a commission of investigation into the activities of the New Israel Fund, which the newspaper reported on Friday was behind the accusations against Israel contained in the Goldstone Report.

Yediot reported that President Shimon Peres has met on a number of occasions with prominent Iranian exiles, both overseas and in Israel. Those meetings were held at the initiative of the exiles, who contacted Peres and said that his international stature would help them raise a moral outcry against the current regime in Iran. These meetings, which PM Netanyahu was informed of and which he authorized, have taken place for an extended period of time already.

The Jerusalem Post reported that erstwhile Republican presidential contender Mike Huckabee said during a visit to the country that President Obama erred in placing all the pressure on Israel.

The Jerusalem Post reported that the Knesset's Immigration and Absorption Committee met on Tuesday to put the finishing touches on a bill that would mandate offering compensation to Jews who were forced out of Arab lands following the establishment of the state.

Maariv reported that Natan Sharansky, Executive Chairman of the Jewish Agency for Israel, is organizing a public gathering of

pro-Israel Jewish-Russian oligarchs in St. Petersburg in three weeks. The oligarchs had so far been unwilling to participate in such an event.

The Jerusalem Post reported that up to \$6 billion in natural gas has been found off Israel's coast.

The Jerusalem Post reported that during a special session yesterday, the Knesset's Internal Affairs and Environment Committee called on the state prosecution to drop all charges against a 17-year-old American-Israeli who was subjected to abuse and reported gang rape at a prison while being temporarily held over minor suspicions in November.

The media reported that yesterday the film *Ajami*, produced by Israeli Arabs and Jews, was nominated for best foreign language movie at the Academy of Motion Pictures.

-----  
**I. Mideast:**  
-----

Block Quotes:  
-----

**II. Barak Is the One Responsible**

The independent, left-leaning Ha'aretz editorialized (2/3): In February 2000 [the Prime Minister Ehud] Barak explained to the officers the importance of a peace agreement with Syria. A decade has passed. It is now February 2010, and ... Barak once again presented his doctrine: Without a peace agreement with Syria we are liable to enter a belligerent clash with it that could reach the point of an all-out, regional war. To spare Barak his usual speech at the next General Staff conference in 10 years ... we need energetic diplomatic activity, one of whose main protagonists is the Defense Minister himself. After all, he said on Monday that we will immediately sit down [with Syria] after such a war and negotiate on the exact same issues which we have been discussing with them for the last 15 years. The fact that this is not an original insight will not comfort the thousands who will be casualties in the unnecessary war that might break out, according to the Defense Minister.... Barak now plays a key role in the Netanyahu government, which has not yet moved ahead on talks with Syria. Barak can leave the government if the Prime Minister refuses to move

toward peace with the Syrians and the Palestinians. If he does not and makes do with remarks to officers, he is afraid to pay a price -- not the known price of withdrawal from the Golan Heights after an agreement, but the price of giving up his cabinet post. Therefore Barak, even more than Netanyahu, may be responsible for the all-out and unnecessary war he warned of on Monday.

## II. Who Needs Proximity Talks?

Former Meretz leader, former Justice Minister, and chief Israeli promoter of the Geneva Initiative, Yossi Beilin, wrote in the independent Israel Hayom (2/3): QI can understand that the U.S. administration, in its despair with the sides, the obstinacy and the limbs they have climbed, has decided to give them a ladder. But it is difficult to think of anything more foolish than the idea of holding proximity talksQ between Israel and the Palestinians at the start of the second decade of the 21st century.... Proximity talks are held between two sides that do not recognize each other, and sometimes are fighting an all-out war against each other, and this is the only way to reach some kind of understanding between them. But proximity talks with Abu Mazen, 17 years after the mutual recognition between Israel and the PLO, when the PA and the PLO are headed by a person who adamantly opposed the Intifada and says explicitly that he will also oppose in the future any use of violence against Israel?.. I propose to the Americans, the Palestinians, ad Israel to reject this futile idea. It is best to prefer direct talks. Mahmoud Abbas must understand that his longing for Olmert cannot turn into legitimate demand from Israel to renew the negotiations from the point they were stopped. Governments are committed to agreements, not to talks that were held, particularly since these are undocumented talks, in which informal ideas were raised.... Netanyahu must understand that proximity talks are a broken telephoneQ game that could damage Israeli and Palestinian interests. He should prefer direct talks, with the Americans in the room, and preferably without them. Abu MazenQs demand for a full freeze for three months is a minimal demand that Netanyahu can meet.

The key is in his hands, and the decision is far from being dramatic. It is enough to consent to a brief freeze in order to launch negotiations and remove from the agenda foolish and harmful ideas.

## III. The Corridor Card

Yossi Alpher, coeditor of the bitterlemons family of Internet publications and former director of the Jaffee Center for Strategic Studies at Tel Aviv University, wrote in the conservative, independent Jerusalem Post (2/3): QIsrael pledged, in the Oslo accords, to treat the West Bank and Gaza as a single territorial unit.Q But it never pledged specifically to grant the Palestinian state an ex-territorial land corridor to link Gaza and the West Bank across some 40 km. of Israeli territory. Moreover, that the West Bank and Gaza no longer function as a single political unit is the fault of Palestinians, not Israelis. Yet a corridor is absolutely vital to the integrity of a future Palestinian state. Were Israel to offer to remove all the settlements, thereby obviating the need for swaps, but to reject the corridor principle, the PLO would be in a quandary because the resultant state would not hold together. Accordingly, in the course of peace negotiations over the years Israel has undervalued the corridor as a factor in land swaps. It is worthlessQ all the settlement blocs together.

## IV. Finally, Some Palestinian Responsibility

Newly invested Labor Party Knesset Member Einat Wilf wrote in The Jerusalem Post (2/3): QThe Palestinian national movement has been characterized from its early days by a maddening culture of irresponsibility... If the phrase Qassumption of responsibilityQ was ever mentioned, it was always in the context of a spectacular and bloody terrorist attack.... But it just might be that recently, below the radar, a revolutionary change is underway. For several years now, several players under the sound leadership of General Dayton, Tony Blair, and PA Prime Minister Salam Fayyad, were working together to build a Palestinian state from the ground up.... The greatest threatQ to IsraelQs policy appears to come from a dour bureaucrat [Fayyad] who is steadily leading a revolutionary cultural change of fostering responsibility among Palestinians. This change is leaving Israelis, who have long grown accustomed to Palestinians who do nothing but blame the world for their circumstances all the

while wasting numerous opportunities, wondering, confused and many -- hopeful.

#### IV. QMuscle Flexing on the Last Stretch

Veteran journalist and television anchor Dan Margalit wrote in the independent Israel Hayom (2/3): QIt is logical that a sharp duel of words between the sides [Israel and Hamas] was followed by complete silence -- not between because everything is frozen but because talks are going on. The less statements the sides will make, the less it will be possible to tell them later that they made too many concessions. The fact that a Ham,as spokesman suddenly spoke of freeze yesterday does not indicate an interruption of contacts, but muscle- and nerve-flexing on the last stretch of dialogue.

#### VI. QThe Assassination Trap

Intelligence affairs correspondent Yossi Melman wrote in Ha'aretz (2/3): QThe Mossad is not Murder Inc., like the Mafia; its goal is not to take vengeance on its enemies. QSpecial operations,Q like the assassination in Dubai -- if this indeed was a Mossad operation -- have always accounted for a relatively small proportion of its overall activity. Nevertheless, these are the operations that give the organization its halo, its shining image. This is ultimately liable to blind its own ranks, cause them to become intoxicated by their own success, and thus divert their attention from their primary mission.... The assassinations - according to foreign reports -- of the PLO's Abu Jihad (1988), Islamic Jihad leader Fathi Shikaki (1995) and Hizbullah's Imad Mugniyah (2008), though they dealt severe blows to their respective organizations, did not cause them to collapse. And this is all the more true when the person assassinated is a mid-level operative like [Mamhoud al-] Mabhouh. Every terrorist, no matter how senior, is soon replaced, sometimes by someone even better or more professional.... Such operations, and especially assassinations, have no long-term impact on the balance of power.

#### VII. QDonQt Silence Them

Columnist Merav David and diplomatic correspondent Maya Bengal wrote in the popular, pluralist Maariv (2/3): QThe report [published this week by the Im Tirtzu movement and Maariv daily] and the campaign that followed in its wake accuse the New Israel Fund and the organizations responsible for the publication of a blood libel against the IDF and of collaboration with the enemy. The campaign absolutely delegitimizes organizations that are extraordinarily vital for Israeli democracy, even when they voice criticism that is painful to hear. The more severe problem is that the discourse that that campaign represents has trickled down into the Israeli media, including this very newspaper in which this article has been published, as if this were a central and normative school of thought in Israeli society.... But even if we were to accept the validity of the argument that without the Israeli contribution there wouldn't have been a Goldstone report, does the information that was submitted to the U.N. Commission constitute a blood libel?.... In his farewell interview, [outgoing Attorney General Menachem] QMeni Mazuz said that Qit would be a grave mistake not to form an [Israeli] committee [of inquiry into Operation Cast Lead]. Had Mazuz accepted those organizationsQ demand to form a committee a year ago, the entire Goldstone saga might have been averted. The New Israel Fund and the organizations that are cited by the report busy themselves every day protecting the rights of women, the unemployed, the handicapped, foreign workers, Arab citizens of Israel, and also Palestinians. To sum up their contribution to democracy as a project to prevent violence in sports is hardly serious. Israeli society cannot afford to remove them from public discourse.

---

#### 12. U.S.-Israel Relations:

---

Block Quotes:

---

QInternational Intrigues

Author and economic commentator Yehuda Sharoni wrote in the popular,

pluralist Maariv (2/3): Q[The United StatesQ] dependence [on China] isnQt just that of giant American corporations aspiring to sell their goods to the Chinese nation. This dependence is mostly reflected in the enormous scope of foreign currency reserves held by the Chinese, the majority of which is invested in [U.S.] dollars.... The AmericansQ addiction to consumption, which China -- and recently the Gulf states -- generously cultivates, might obscure the judgment of Americans and in fact of the entire world from issues such as security and human rights. The Israeli Government must draw the practical and moral lessons of this development. Dependence on foreign resources -- including the U.S. ones -- must be reduced. If we want to apply a credible security policy, the [Israeli] Treasury must act in exactly the same way a household follows the law forbidding it from being overdrawn.

CUNNINGHAM